

**Before the  
Federal Communications Commission  
Washington DC 20554**

**In the Matter of:**

IP-Enabled Services	)	
	)	
	)	CC Docket No. 04-36
	)	

**Reply Comments from the Wisconsin Department of Public Instruction**

The Wisconsin Department of Public Instruction appreciates this opportunity to file reply comment to the FCC's NPRM on IP-enabled services (04-36). Our comments are brief and address VoIP in the context of Universal Service.

**VoIP and Universal Service**

The FCC's NPRM asks for comments on how the regulatory classification of IP-enabled services, would affect the Commission's ability to sustain the universal service fund. The Wisconsin Department of Public Instruction believes that funding for the programs now supported by the Universal Service fund absolutely must be maintained. Our specific concern relates to the need to assure a funding source for the School and Libraries program, more popularly known as the E-rate. Schools and libraries nationwide have been able to use the E-rate to enhance their networks and provide for better connectivity to the Internet. The E-rate is a key program to improve technology and information access for our schools and libraries.

In a general sense, we do not believe that the FCC's "hands-off" policy regarding regulatory oversight of the Internet, per se, should in any fashion threaten the viability of the Universal Service fund. We agree with numerous commenters that Universal Service must be maintained. As CenturyTel, Inc., noted in its initial comments, "The Commission... should not exempt providers of telecommunications utilizing IP

technology from their statutory obligation to contribute to universal service funding mechanisms.” We strongly support this position.

In addition, if the Commission determines that VoIP services are not a telecommunication service but an information service, this should not in any way allow VoIP only providers to be exempt from contributing to Universal Service. In this regard, we wholly agree with Verizon’s comments that the universal service fund should be supported by contributions from *all providers* of voice communications, including VoIP providers. And furthermore, as Verizon notes, the Commission has the authority via section 254(d) to require VoIP providers to contribute to the universal service fund, even under circumstances where VoIP is deemed an information service and providers are not regulated as common carriers.

Currently VoIP is judged to be ineligible for E-rate because the Commission has yet to define the regulatory environment in relation to VoIP. Because of this uncertainty, the Schools and Libraries Division has determined that VoIP is not now eligible for E-rate discounts. We ask that in the regulations the FCC eventually adopts on this issue that it make very explicit that costs associated with VoIP shall be eligible for E-rate discounts.

Thank you for listening to our concerns.

Submitted by

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